



NEWS RELEASE

26 August 2016

COCA-COLA AMATIL HALF YEAR RESULT 2016

HIGHLIGHTS¹

- Solid half year Group result with a 3.2% increase in Group Earnings Before Interest and Tax (EBIT) to \$326.9 million demonstrating progress on our shareholder value proposition.
- Group earnings profile building on 2015 with strong performance in our growth segments of Indonesia & PNG (65.2% EBIT growth) and Alcohol & Coffee (33.6% EBIT growth).
- 5.4% EBIT increase in New Zealand & Fiji.
- 1.9% EBIT decline in Australian Beverages while continuing to focus on rebalancing the portfolio to reflect consumer demands and trends.
- Net operating cash flows increased to \$331.7 million with cash realisation of 98.1%.
- Delivering towards our target of sustainable mid-single-digit EPS growth in the medium term with an increase in Earnings Per Share (EPS) of 7.8% to 26.0 cents per share in the half.
- Interim dividend of 21.0 cents declared, franked to 75.0%, which represents an increase of 5.0% and results in a payout ratio of 80.8% for the first half.

Coca-Cola Amatil today reported its half year results for 2016, delivering a solid result for the Group with EBIT growth of 3.2% and EPS growth of 7.8%.

Coca-Cola Amatil Group Managing Director, Alison Watkins said, "This is a solid overall performance for the Coca-Cola Amatil Group, it shows progress on our shareholder value proposition and reflects the strength that comes with our diversity of markets, products and categories."

"We are pleased to have achieved revenue, EBIT and EPS growth this half, with our growth markets of Indonesia, Papua New Guinea, Fiji and Alcohol & Coffee contributing strongly to this result, as well as a sound performance in New Zealand."

"Our Indonesian business performed strongly in the first half and despite local economic conditions remaining soft, we are pleased to see the improvements made in our route-to-market are delivering results. The business also benefited from the month of Ramadan being 10 days earlier this year."

¹ Quoted growth is compared to first half of 2015

“Alcohol & Coffee has gathered additional momentum by delivering double-digit revenue and EBIT growth as a result of strong, measured improvements in all key categories, as well as an improved contribution from the Coffee business.”

“In Australia volumes in still beverages increased by 9.3%, driven by strong performances water, energy and dairy. This was the result of innovation and investment across the categories that commenced in 2015 including the introduction of FUZE Tea and Monster Energy and the new Mount Franklin marketing campaign.”

Ms Watkins said the improved performance across each of these areas helped to offset the structural adjustments that continued in Australian sparkling beverages, which experienced a decline in volume in the first half.

“Consumer tastes and trends in Australia are continuing to evolve and our focus over the last two years has been on rebalancing our full portfolio. We are moving to meet consumer demands with a greater focus on portion size and product reformulations in Sparkling and increased investment in Stills. We are also continuing with a strong cost-management program, improved route-to-market performance and a reinvestment of cost savings into price and brand.”

“SPC reported a modest loss in the half with declines in both volume and revenue. That said, we are seeing some encouraging signs in our snacking fruit and tomato products.”

“The Group result speaks directly to the strength of our underlying value proposition for our shareholders. While structural adjustments continue in the Australian market and economic conditions in Indonesia remain soft, we are confident of our plans for steady growth at the core and accelerated growth in our other businesses. Combined with a continuous focus on cost, this will deliver attractive, sustainable returns for our shareholders.”

Our 2014 strategic review continues to set the direction for our Group, Ms Watkins said, “In 2014 we outlined our plans to restore performance and return to growth. We know that conditions, particularly in Australia, will continue to be challenging and that our task will be to continue the performance of our growth businesses in the second half, demonstrating that our growth is real and sustainable.”

“We are confident that our portfolio diversity combined with our focus on category leadership, improved productivity and in-market execution, and better alignment with our partners, particularly The Coca-Cola Company, will enable us to deliver on our commitment to our shareholders.”

“We know that our markets will continue to challenge us, however the plans we put in place two years ago are starting to deliver the outcomes we anticipated. We have taken another step forward in this half and we intend to build on this.”

For further information:

Media

Liz McNamara
Mobile: +61 405 128 176
Email: liz.mcnamara@ccamatil.com

Andrew Hewett
Mobile: +61 447 121 838
Email: andrew.hewett@ccamatil.com

Investor Relations

David Akers
Mobile: +61 412 944 577
Email: david.akers@ccamatil.com

ABOUT COCA-COLA AMATIL

Coca-Cola Amatil is one of the largest manufacturers and distributors of ready-to-drink non-alcohol and alcohol beverages, coffee and ready-to-eat food snacks in the Asia Pacific region. Coca-Cola Amatil is also the authorised manufacturer and distributor of The Coca-Cola Company's beverage brands in Australia, New Zealand, Fiji, Indonesia, Papua New Guinea and Samoa. Coca-Cola Amatil directly employs around 14,000 people and indirectly creates thousands more jobs across the supply chain, partnering with key suppliers to manufacture, package, sell and distribute its products. With access to around 300 million potential consumers through more than 700,000 active customers Coca-Cola Amatil is committed to leading through innovation and building a sustainable future and delivering long-term value to shareholders. For more information, visit <https://www.ccamatil.com/>